was that we had evidence that the Haitians might have been subject to some abuse by the people who were in control of the boat. And so for those reasons, we thought the appropriate thing to do was to bring them on in, which we did.

**Q.** Is this a change in the policy for the future?

**The President.** No change in policy.

[At this point, one group of reporters left the room, and another group entered.]

## Former Yugoslav Republic of Macedonia

**Q.** President Clinton. Mr. President, are you going to discuss the problem with Greece and Skopje and the measures that Greece has got against Skopje?

**The President.** Absolutely.

**Q.** What do you believe about these measures?

**The President.** What I think is that we have Mr. Nimetz over there and Mr. Vance. We're trying to help work it out. I think that it's very much in the interest of Greece and Europe and the world community for the matters to be worked out between the two countries, and I think they can be.

**Q.** How committed are you to delaying the process until Greece's concerns are satisfied, sir?

**The President.** I think it's obvious that we've shown a real concern for Greece's concerns. That's one of the main reasons I sent a special envoy over there, and we're trying to work through it. We'll discuss that today. We just started out—we haven't even had our discussions yet.

**Q.** There's been some criticism that the U.S. side has not exercised enough of its good—[*inaudible*]—to Skopje and to come up with a solution.

**The President.** We're working hard on that now, and we'll continue to. I think there will have to be some changes from the point of view of Skopje.

**Q.** Are you going to visit Greece, sir?

**The President.** Oh, I'd love to do that. I've never been there.

## **Cyprus**

**Q.** What about Cyprus?

**The President.** We're working hard on Cyprus, and I think—I hope there will be some movement from the Turkish side on

Cyprus in the next couple of days with regard to the confidence-building measures. I think that the ball has been sort of in Mr. Denktash's court, and I hope he will take it up. And then I hope that Greece and all others will support pushing forward. I have worked hard to resolve this since I've been in office, and I will continue to stay on it. More later.

NOTE: The exchange began at 11:45 a.m. in the Oval Office at the White House. In his remarks, the President referred to Matthew Nimetz, U.S. Special Envoy to the United Nations to resolve the conflict between Greece and Macedonia; Cyrus Vance, United Nations Special Envoy to the Former Yugoslavia; and Rauf Denktash, leader of the Greek-Cypriot community. A tape was not available for verification of the content of this exchange.

# The President's News Conference With Prime Minister Andreas Papandreou

April 22, 1994

## Bosnia

**The President.** Good afternoon, ladies and gentlemen. Before I comment on my meeting with Prime Minister Papandreou, I would like to make a brief statement about developments with regard to Bosnia today.

About 2 hours ago in Brussels, NATO's North Atlantic Council reached agreement on new steps to address the crisis in Gorazde and to promote a negotiated settlement in Bosnia.

As NATO Secretary General Manfred Woerner just announced, the North Atlantic Council decided that continuing Bosnian Serb attacks against Gorazde justify firm action. Therefore, the North Atlantic Council decided that the commander in chief of NATO's Southern Command, United States Admiral Leighton Smith, is authorized to conduct air strikes against Serb heavy weapons and other military targets in the vicinity of Gorazde unless three conditions are met: First, unless the Bosnian Serbs immediately cease their attacks against Gorazde; second, unless by 8 p.m. eastern daylight time tomorrow evening, the Bosnian Serbs pull back their forces at least 3 kilometers from the city's center; and third, unless by 8 p.m. tomorrow evening, the Bosnian Serbs allow United Nations forces, humanitarian relief convoys, and medical assistance teams freely to enter Gorazde and to permit medical evacuations.

This decision provides NATO forces with broader authority to respond to Bosnian Serb attacks. The Bosnian Serbs should not doubt NATO's willingness to act.

In addition, the North Atlantic Council has begun to meet again to decide on authorization for NATO action concerning other safe areas. I applaud NATO's decision, the resolve of our allies, and once again, the leadership of NATO Secretary General Woerner. The United States has an interest in helping to bring an end to this conflict in Bosnia. Working through NATO and working along with Russia and others, we are determined to save innocent lives, to raise the price for aggression, and to help bring the parties back to a negotiated settlement.

#### Greece

Now let me say what a pleasure and an honor it has been for me to welcome Prime Minister Papandreou back to the United States. Last night we celebrated the Prime Minister's arrival at a reception at Blair House, and today we had a very productive meeting here at the White House. It has been about 20 years since the Prime Minister has been to America, and he told me today that 50 years ago this year, as a young man, he saw President Roosevelt in a touring car right outside the White House.

In a sense, every one of us in this country has roots in Greece. After all, the Periclean faith in freedom helped inspire our own revolution. The Athenian model of democracy helped to shape our own young republic. The common values that we share have made Greece and the United States allies. Half a century ago, our two nations stood together to launch a policy of containment. Now with the cold war over, we are joining to meet new challenges and seize new opportunities.

Consider, for example, the U.S.-Greece Business Council which was just recently established. It will enhance the economic contacts between our two nations, contacts that generated nearly \$1 billion in trade last year alone.

Nowhere are the challenges of this era clearer than in the Balkans. Greece and the United States share an interest in working to resolve the conflict in Bosnia and to prevent it from spreading into a wider European war. The Prime Minister and I discussed the most recent developments, and I underscored my view that further NATO action is necessary to restore the momentum toward peace.

We also talked about the effect the embargo on Serbia is having on other nations in the region. We discussed the Former Yugoslav Republic of Macedonia, and the United States understands the serious Greek concerns on this issue. Over the past week, both sides have been working with Cyrus Vance and my special envoy, Matthew Nimetz, to narrow their differences. We are hopeful that an agreement can soon be reached that will lead to the lifting of the trade embargo and a resumption of a dialog to resolve the legitimate differences which Greece is concerned with.

The Prime Minister and I also discussed Cyprus. The United States supports the U.N. confidence-building measures. Those measures grew out of discussions with President Clerides soon after he took office, and we hope that both sides will support them. My coordinator for Cyprus, Bob Lamb, has just returned from talks with both sides. A settlement in Cyprus would benefit all the nations in the region, especially Greece and Turkey, two vital members of NATO.

I have asked the Turkish Government to address the status and working conditions of the Ecumenical Patriarchate in Istanbul. And I encourage Prime Minister Papandreou to ease his government's objections to the level of European Union assistance to Turkey. We must do what we can in these areas to promote greater understandings between these two critical nations and, in the process, to promote progress on Cyprus.

As a former professor here in the United States, Prime Minister Papandreou personifies the durable ties between Greece and America. It's been a pleasure to welcome him here as the leader of his nation. And I look forward to continuing to work with him based on the good relationship we have established in the challenging period ahead.

We face some thorny problems; together, I am convinced we can make some progress in dealing with them.

Mr. Prime Minister.

**Prime Minister Papandreou.** Mr. President, I want to express deep appreciation for your invitation to me to visit you in Washington, to continue a discussion that we started in Brussels a few months ago.

I must say that I found our discussions to be extremely useful. We have a clear understanding of the issues before us, and I want to stress that we consider you a friend of Greece and in whatever Greece signifies, as you have said to the world.

I am very honored and pleased to be here. For me, it's a return after many years of absence; it's been 20 years ago that I last visited the United States. And I must say, I'm quite moved by the fact that I'm here now standing next to the President of the United States in this room. It's a great honor and a great moment.

No doubt we are going through a period of great international difficulties. There are many spots in the world that, after the fall of the Wall, the Iron Curtain, many spots of the world that challenge, again, peace. Wherever you look there is conflict. And indeed, in the area from which we come, the Balkans, the Balkan Peninsula, we have, really, dynamite on our hands.

No doubt there is grave responsibility for having attempted to break apart ex-Yugo-slavia. And all of us, all the 12 European members of the European Union, bear equal responsibility for this. It's a fire that can spread very fast. It is Bosnia today, a tragedy, indeed, a great tragedy. And there is undoubtedly danger also lurking ahead in Krajina; there is danger in Kosovo. There are plans of expansion on the part of some Balkan countries. Many interests are in conflict in that area, and one begins to sense already the development of zones of influence.

The President has just announced the important decision of NATO to proceed with—to give an ultimatum to the Serbs either to withdraw or to face bombardment. The position of the Greek Government on this is that we do not block this decision; we do not veto this decision. We accept it, but we do express our reservations. And there is only one res-

ervation, indeed: our fear that, step by step, we may be dragged into a land war which would be really, by modern standards, a tragedy much greater than we have seen in Bosnia.

So far as the question of the Balkans is concerned, Greece is a country that seeks peace and wants to play an active role, economically and culturally, in that region. It was not with pleasure that we imposed an embargo, with the exception of food and pharmaceutical, on Skopje.

Skopje is a country that must survive. It is in the interest of Greece that it survives. And this may sound to you a bit contradictory, and it is contradictory, that while we believe in this, we have imposed an embargo in the expectation and hope that an SOS signal will be understood. And this SOS signal is simply that it is a matter of security for Greece that the irredentist articles of the constitution of that state, that the flag with the Birgina Sun, that the daily newspapers and radio emissions—all of them are looking to an irredentist and aggressive position which involves Greece because they talk about the Macedonia of the Aegean, meaning Greek Macedonia.

At this moment, of course, we are discussing with Mr. Vance and Mr. Nimetz. But fundamentally, I want you to understand one simple thing. What we say to Mr. Gligorov is that we are prepared to lift the embargo, to normalize economic relations fully, to vote for the membership of the state in CSCE, to support an agreement between the community, the European community and that state, provided simply that he does one act: remove the Sun of Birgina and declare that the constitution in those particular articles is not valid.

We are not asking for anything more, and we are offering normalization, complete economic normalization, keeping the question of the name, which is a difficult one, as a matter of negotiation under Mr. Vance with the assistance of Mr. Nimetz, continuing discussions under question of the name. But we separate it out to simplify the issue.

Sorry to have taken so much time on this particular issue, but because I know there will be questions, I thought it was important that I tell you what our point of view is. We

hope that as soon as possible that the embargo will be removed and that will be an act on the part of Mr. Gligorov to signify his willingness to live in peace with us and to cooperate with us to develop truly a strong economic relationship.

Ladies and gentlemen, I don't have anything else to say, except for Cyprus, I want to thank the President. Because the President has taken action not once but more than once to further the Cyprus cause, to get, finally, a resolution after 20 years of Turkish occupation of the north part of the island. He brought us some good news today, a member of the staff of the President, that possibly Mr. Denktash has accepted the confidence-building measures. This I did not know until I came to the White House. This, though, is a good sign. But in any case, our thanks to the President, who has stood by us on this important issue, not only for Greece but for the world.

Thank you.

**The President.** We'll start with Helen [Helen Thomas, United Press International], and then I'd like to alternate between the American and the Greek press.

## Bosnia

**Q.** Mr. President, I'd like to ask you and the Prime Minister a question. Some of your officials, Mr. President, have indicated that you would no longer be adverse to sending in ground troops to Bosnia, and I think the Secretary of State's statement has been so interpreted. Mr. Prime Minister, even though you have accepted the NATO position, you obviously are against bombing the Serbs. How would you bring them to the negotiating table?

**Prime Minister Papandreou.** Look, one, I don't have the magical answer; I wish I had it. But I know there is a lot of frustration. The question is this: Is there a military solution to the problem? For me, there is no military solution; there is no possible military solution to the problem. Accordingly, it has to be a political solution. And of course, the United States has made significant efforts to push us all forward to the negotiating table, and has no responsibility, may I add, for the initial developments in the region.

The President. Helen, let me say, first of all, there has categorically been no discussion in which I have been involved, or which I have encouraged or approved, involving the introduction of American ground forces into Bosnia, with the exception that you already know, as I have said for more than a year now: If there is an agreement, then I believe the United States should be willing to be part of a multinational effort to enforce and help to support the peace agreement.

I agree with the Prime Minister, we must be, all of us, very mindful of the fact that we are not in this business to enter this war on one side against another. But I would also remind you that we were seeing peace talks unfold in which at least the stated positions of the Bosnian Government and the Bosnian Serbs were not all that different just a few weeks ago.

We had the peace zone around Sarajevo. We had the agreement between the Croatians and the Muslims, which was very, very important. And until this travesty in Bosnia occurred in an area in which the United Nations had declared a safe area, I thought we were on the way to a negotiated settlement. Will this have to be resolved through negotiations? Absolutely. Our objective is to restore that and to stop slaughter of the innocents and a dramatic alteration of the territorial balance which would make it almost impossible to restore that sort of negotiating environment. But that's our objective, to be firm with the Bosnian Serbs because they are trying to do something that is inconsistent with the position they, themselves, have taken as recently as just a couple of weeks ago.

## Former Yugoslav Republic of Macedonia

**Q.** Mr. President, I would like to ask you whether you're more optimistic after the meeting with the Prime Minister on the resolution of the Macedonian issue, and also, what kind of steps you would like to see or expect to see from both sides in the near future?

**The President.** I would say I am more optimistic about the possibility of the resolution of it. And what I would like to see is for both sides to work with Mr. Nimetz, who is here, and with Mr. Vance to try to resolve the legitimate concerns.

As you know, the United States believes the embargo should be lifted, but we also believe Greece has some very legitimate concerns, some concerns which ought to be able to be allayed. They are rooted in history—they are rooted in recent history, not just ancient history—and we believe that these things have to be resolved.

#### Bosnia

**Q.** Mr. President, you say that you're not even considering at all the possibility of sending ground troops under any scenario in advance of a full peace arrangement on the ground.

## The President. That's correct.

**Q.** Well, what do you say to the leaders of France and Canada and Britain? You're asking them to put their ground forces in harm's way, to send them into Bosnia and the United States will provide the funding. But the world's largest military, the world's greatest military, is refusing to put its soldiers in harm's way. I'm sure they've asked you about this.

The President. But we have not asked them to put their soldiers into combat. We are trying to protect their soldiers. And if we have respected—over a year ago—reluctantly their conclusion that at that time the arms embargo should not be lifted because it might subject their soldiers to more danger. Their soldiers are there now, not to fight the war, not to take sides, but to be agents of peace.

I talked with the Canadian Prime Minister just this morning, and he said to me again, he said, "You know, in spite of all the tension there, I really believe if they would just let our troops back into Gorazde, it would tend to restore the conditions of humanity, because we have not been attacked when we have been present in substantial numbers."

When the United States goes into a situation like this, I think it fundamentally changes the character and nature of the engagement. That is why I have always said we would contribute a substantial number of troops, but it ought to be in the context of a peace agreement, and I still believe that. And I have no reason to believe that our allies understand differently.

We don't want to create the impression that the United States or the U.N. is entering the conflict to try to win a military victory on the ground. We do want to create the clear and unambiguous impression that we are angry and disappointed at the aggression and the continued aggression of the Bosnian Serbs in the area of Gorazde and their refusal to return to the negotiating table on the terms that they, themselves, set just a few weeks ago.

## **Greece-Turkey Relations**

**Q.** Mr. President, I would like to ask you if you are aware of the tension that exists in the area of the Aegean and what the United States is going to do on this issue? Are you going to discuss with Turkey, or are you going to put any pressure there?

**The President.** I have had extensive discussions with Turkey, with the Turkish Prime Minister just recently about the relationship of Greece and Turkey. And I might as well say to you in public what the Prime Minister and I discussed in private. I don't want to commit him. This is just my thinking.

My thinking is that at this moment in history, we have better conditions to resolve the differences between Greeks and Turkey and to have a new basis of responsible and fair cooperation than at any time in a long while.

The Turkish Government is concerned, obviously, about instability within its own borders, the rise in Islamic fundamentalism. The Government is interested in building a new and modern economy closely connected to Europe and maintaining a secular and responsible nation that is overwhelmingly Islamic. It seems to me that that is in the interest of all of us. And I think that Turkey understands that that can be achieved, and particularly, closer ties with Europe as a whole can be achieved only as the issues that divide Turkey and Greece are more nearly resolved.

So I'm quite hopeful, and I've been pushing this line with the friends of the United States in Turkey for more than a year now, and I will continue to do so.

### Bosnia

**Q.** Mr. President, the Serbs' past general behavior is that when they're faced with a specific demand, they'll duck and come into

compliance, but then they'll turn around and they'll come back harder someplace else. What can be done while you're trying to achieve this negotiated settlement to be sure that they don't just turn and come into Tuzla or Bihac or someplace outside the safe areas?

The President. Well, we're taking up—that's two different questions. We are taking up the question of the other safe areas through the North Atlantic Council. As a matter of fact, I imagine the debate is going on now. All of the members decided that the issue of Gorazde should be addressed first and separately, and then the other safe areas should be taken up. And as I explained—I think Mr. Hume asked a question yesterday or the day before—we're trying to create, in all the safe areas, more or less the conditions we have in Sarajevo.

Now, in the nonsafe areas, let me remind you that there is fighting going on and initiative being taken, but not just by the Serbs. The Government forces are also engaging in them. We believe that they should both stop and go back to the negotiating table. But we also believe that there should not be a measurable and dramatic change of the situation on the ground and, specifically, that there should not be an assault on areas the United Nations, itself, has declared as safe areas. So our clear objective here is first to try to reverse the terrible things that have been happening in Gorazde; second, to try to make the safe areas, safe areas; and third, through the display of firm resoluteness, to encourage the parties to get back to the negotiating table and work this out.

As you know, in addition to that, we are discussing with the Russians and the European Community—and Prime Minister Papandreou talked about it a little bit today—what the appropriate next diplomatic initiative ought to be on our part. The Russians and the French have put forward proposals, as has the Secretary General of the United Nations, and I think that you will see some progress on that front next week.

**Q.** After your meeting with the Greek Prime Minister at the White House, would you like to say a few words about American foreign policy regarding the Balkan situation today?

The President. Well, I think I just said all I have to say. We talked a lot about it, and Prime Minister Papandreou gave me some very good insight. And we both agreed that, in the end, we have to have a negotiated settlement. But the United States believes that we have to, in the meanwhile, be absolutely determined not to let the prospect of a negotiated settlement be destroyed by the actions of the Serbs on the ground.

**Q.** Senator Nunn has said that we really need to dramatically escalate our bombing and go to Belgrade, go to Serbia. Why not? Why not take that step?

**The President.** I think that step is not an appropriate thing to do at this time, for a number of reasons. For one, the Bosnian Serbs themselves, it seems to me, when confronted with the reality that we are serious and we continue to go forward, are likely to return to the negotiating table. Number two, the Serbian government in Belgrade could be, and should be, an ally of the peace process. We know already that they have suffered greatly from the sanctions, and we're trying to stiffen the enforcement of the sanctions at this time. Thirdly, our partnership with the Russians continues, and while the Russians are angry and frustrated that they have been misled by the Bosnian Serbs, they have continued to adopt our position that there must be a withdrawal of Serb forces from Gorazde and a cessation of shelling.

In other words, I think there are still possibilities within the framework in which we are operating to achieve a return to the negotiating process and a legitimate return. So I think at this time, it would be inappropriate to escalate the bombing that much.

**Q.** Would you consider that—if this does not work, sir, would that be the next step?

**The President.** Well, I don't like to deal in contingencies in a matter like this. But I think my answer should stand on its own.

### Security of Greece

**Q.** Mr. President, due to the Balkan crisis, could you please clarify the U.S. position visa-vis to the security of Greece on a bilateral level?

**The President.** Well, Greece is also a member of NATO, sir. And so our obligation to the security of Greece, as well as our his-

toric commitment to it, I think, is quite clear, and there should be no doubt about it today.

#### Bosnia

**Q.** Mr. President, how do you plan to avoid mission creep in Bosnia if expanding the air umbrella doesn't work? Will the United States push in further or pull out? In other words, what's your exit strategy here?

**The President.** Well, our exit strategy is a return to the peace negotiations. In other words, this is a different thing. Keep in mind—it is difficult to analogize this conflict from the point of view of the United States and the United Nations to others which occurred during the cold war and which had some sort of cold war rationale which sometimes broke down.

What we are trying to do now is to confine the conflict, first of all, stop it from spreading into a wider war and secondly, to get the parties back to the negotiating table where they were most recently. If what we are doing doesn't work, then I will consider other options. But there is more than one way for the mission to be altered in pursuit of the ultimate objective.

I will reiterate what I said to you in the beginning: There has been absolutely no discussion that I have participated in, authorized, or approved, dealing with the introduction of our ground forces here before a peace settlement.

**Q.** Mr. President, how do you account for the fact that peace in Bosnia has been so difficult to be achieved? And do you think that this could be due to conflicting messages the warring parts have received from different countries?

**The President.** It could be due to that. But I think it's mostly due to the fact that they have profound differences over which they have been willing to fight and die and that there are differences, apparently, even within each camp about the extent to which they should seek advantages on the battlefield or at the negotiating table down to the present day.

I think it's more about the internal dynamics, about what is going on there than about anything else. I think that it is important not to be too arrogant about our ability to totally dictate events so far from our shores. But

I do think we can influence them in a positive way. I think we have when we've acted firmly and acted together; we should continue to try to do so.

**Press Secretary Myers.** Two more questions.

**Q.** Mr. President, you just spoke about divisions within the camps, and you mentioned a moment ago that you thought the Bosnian Serbs would be likely to go back to the negotiating table and my understanding is—

**The President.** No, I don't want to say that. I think that they have gone there before, and I hope that they will. I wouldn't say that—I have no information that indicates that they are likely to do that. That's the rational thing for them to do.

**Q.** The assumption that a lot of policy-makers have made is that the Serbs have basically taken most of the territory that they want, but we hear repeatedly statements from the Serb militia leaders indicating that they have a much more militant, aggressive desire to seize more territory.

I'd like to ask you two things. One is, do you have any sense as to who's really in control over there? Are we negotiating with the people who can make a deal? And secondly, is there anything that U.S. policy can do to try to influence which parties to that internal conflict come out on top?

The President. I think from time to time there are differences between the Bosnian Serbs and Serbia-proper and its government. I think from time to time there are differences between and among various factions in Bosnia, between political and military factions, and between command centers and people out in the country, as often happens in this kind of war with this level of decentralization and with the developments that can occur in community after community.

And that means that we have to be—we have to take those things into account in developing our strategies. But we can't let the rumor of that, in effect, divide and weaken us; we just have to work ahead. Is there anything we can do to exploit those or to use those? I don't know yet. But I do know that maintaining a firm hand on these sanctions is a very important part of our policy now. And I would think that, particularly, that there may be people on the ground who,

once they've been fighting, don't want to quit, especially if they think they are in a position to win in a place where they happen to be fighting. But that's what leadership is for.

You know, you could say—look at this election that's about to unfold in South Africa. I mean, I could give you lots of other examples. I'm sure there are people on the ground that don't want to quit fighting because it's what they know, and they think maybe they can press an advantage. But that's what leadership is for. And the leaders of the Serbs and the Bosnian Serbs need to assert themselves at this moment and avoid further wreckage.

### Balkans

**Q.** The Balkan question—there is also the issue of the recent tensions between Greece and Albania. Did you discuss this issue as well as the status of the Greek minority there and the alleged human rights violations?

The President. Well, first of all, I think Greece has proceeded with real restraint and sound judgment. We are concerned about the status of the Greek minority there as we are concerned about the status of the Albanians in Kosovo. This whole area is a tinderbox, which is one of the reasons we have paid as much attention to it as we have and one of the reasons we are trying, within the limits of the United Nations and NATO, to confine the conflict.

I think the plain answer to this is to tone down the rhetoric, to observe the rights of the minorities, and not to let the war which is raging in Bosnia spread to the surrounding areas where there are equally deep tensions.

I'll take one last question.

#### Health Care Reform

**Q.** Mr. Rostenkowski made a speech in Boston today in which he said that he is unwilling, or will recommend against, in his committee, financing the health care bill through savings anticipated in future years from the health care, from the effects of the health care bill, and that he prefers to finance it through a broad-based tax issue. Could you give your response to that and tell us how you think it would go?

**The President.** I think Mr. Rostenkowski is trying to achieve our common objectives, which he defined as: universal coverage, cost control, and 218 votes. [Laughter] And I think he has a strategy for pursuing that.

I believe that our savings are good. I believe that obviously we intend—we always knew we'd have to make some modification once the Congressional Budget Office cost estimates came out. We are prepared to do that. But we have dealt with an awful lot of health economists. We've worked very hard on the numbers; we think they are good. But I'm going to have to let him characterize his strategy.

All I can say is that, of all the things I'm worried about in dealing with Congress over the question of health care, the commitment of the Chairman of the Ways and Means Committee to providing health care security to every American is not one of them.

Thank you very much. We've got to go.

NOTE: The President's 56th news conference began at 2:14 p.m. in the East Room at the White House. A tape was not available for verification of the content of this news conference.

# Statement on Nomination of Governors to the Federal Reserve Board

April 22, 1994

A stable monetary system is the platform upon which any efforts for economic renewal must be built. My administration recognized that our first task was to put our fiscal house in order, so that an ever-growing Federal budget deficit did not absorb capital and slow economic growth. I believe that we have now put our Nation on the path to sustainable economic growth. The Federal Reserve Board is the critical institution that preserves the stability of our monetary system and the confidence of our markets. The position of Governor of the Federal Reserve Board requires acute sensitivity to the need to strike a careful balance, to prudently manage the money supply and avoid the excesses of inflation, while ensuring that the men and women in our economy have the opportunity to prosper and fulfill their dreams.